

TRANSPORT INITIATIVES EDINBURGH LIMITED

Minutes of tie BOARD MEETING

held in Skyline Suite, Mount Royal (Ramada Jarvis) Hotel, Edinburgh at 14. 00 hrs – 17.00 hrs on 25th November 2003.

Board Members: Ewan Brown (Chairman)
Jim Brown
Gavin Gemmell
John Richards
Andrew Burns

In attendance: Michael Howell, **tie** Chief Executive
Graeme Bissett, **tie** Finance Director
Alex Macaulay, **tie** Projects Director
Ian Kendall, **tie** acting Operations Director
Paul Prescott, **tie** Heavy Rail Director
Barry Cross, CEC, Transport
John Burns, CEC, Corporate Finance
James Papps, PUK

Apologies: Bill Cunningham, Cllr, CEC
Maureen Child, Cllr, CEC
Andrew Holmes, CEC, City Development Director
Eddie Bain, CEC, Council Solicitor
Keith Rimmer, CEC, CDD, Head of Transport
Jonathan Pryce, Scottish Executive
John Martin, Scottish Executive

Apologies

Apologies were noted.

Item

1. MINUTES OF THE MEETING OF 15th OCTOBER 2003 FOR APPROVAL AND SIGNING

The minutes were approved

Initials

EB
JB
GG
JR
AB

MH
GB
AM
IK
PP
BC
JB
JP

2. MATTERS ARISING FROM MINUTES OF THE MEETING OF 15th OCTOBER 2003

EB reported that concern about the increasing legal costs had been raised by Jonathan Pryce. GB advised that **tie** have had discussions with both DLA & D&W regarding base costs for legal expenditure. GB will report to next board on steps taken to control expenditure.

Action

GB

3. CHIEF EXECUTIVE REPORT

P5 Implementation Status

Good progress has been made in implementing the majority of project tasks identified by P5. Alan Harpham will be retained on a day per month basis to ensure continued progress.

MH

A report on the outcome of the workshop held on the 5th & 6th November between **tie** and CEC has been produced. Key high level conclusions were identified, some of which have already been agreed and action taken; other items will follow on. It was also agreed that there was a need for a shared decision making structure for those action areas where CEC and **tie** must necessarily be closely co-ordinated on the programme and project management front. A chart was produced to show how this will work in practice and represents the working relationship between CEC and **tie**. This will be a monthly high level liaison meeting between EB and Donald Anderson, CEC

tie Organisation

Ian Kendall has been appointed acting Operations Director, the role envisaged by P5, meantime he will take responsibility for delivery of WEBS, and tram infrastructure procurement reporting to the Projects Director.

MH made the recommendation to the Board that there should also be a **tie** Executive Board. Membership would be Michael Howell, Graeme Bissett, Alex Macaulay and Paul Prescott. Ian Kendall will also attend in his capacity as acting Operations Director. The group will meet weekly and will take ownership for internal sponsorship of programmes and projects. It will also set up a project review process.

The role of the board as the decision-making body for all of **tie**'s activities (ITI and EARL) was confirmed and it was agreed that meetings would have a more formal structure.

An productive awayday has been held on Friday 21st November, with all **tie** staff attending, to identify issues and required actions within the context of **tie**'s workload for next year.

Action

Managing the public interface

In response to the need for a more pro-active and responsive interface with the public two steps were proposed. The first is the creation of a communications steering group consisting of **tie**, the City Council, the City Centre Management Company and SEEL. AB and AH have both indicated support of this recommendation. AB is progressing within the City Council.

AB

Second, **tie** are considering steps to improve the external stakeholder management process with the appointment of a senior commercial manager to take over responsibility for the Weber Shandwick interface, to manage **tie**'s relationship with all external stakeholder groups and be pro-active in undertaking such projects as the planned trip to Lyon for interested Edinburgh residents. The proposed appointment will be incorporated into **tie**'s business plan.

MH

There was a discussion about the adequacy of the congestion charging leaflet distribution. MH advised that back checks and re-leafleting where appropriate are being undertaken with the objective of maximising the coverage.

Travelticket

Robert Shipman joined **tie** in early November. **tie** are working directly with the Scottish Executive to expand the programme as fast as possible, particularly in the context of the new Scotrail franchise. Sales continue to rise.

Parliamentary Approvals/Communications

Coverage of the Lyon trip with journalists was seen as useful in building relationships; coverage in the press was limited to date but positive.

GG remarked that a focus should be kept on the retailers for lobbying about congestion charging.

MH to progress setting up a meeting with Ian Lumsden from Standard Life.

MH

Risk Report

The risk report is attached. JB remarked that he had met with Mark Bourke, **tie** Risk Manager (seconded from Motts), and was impressed with the thoroughness of the work being carried out to date.

4. FINANCIAL MATTERS

Financial Report

The presentation of the Financial Report has been revamped now to include a narrative along with monthly graphs. GB is still working on the final version of the report. The new report was welcomed.

tie Business Plan

GB presented a Draft version3 of the tie Business Plan for comment

The draft tie business plan has identified resource shortfalls in a number of business areas which will need to be filled by either permanent resource or consultancy support. EB remarked on the cost element of consultancy resource and the need to define the scope at the beginning of their commission to ensure control of costs. This was supported by JP.

AM advised that additional support has been built in to the business plan, to support a proposed increase in the rate of development of tie projects. The plan will be presented at the next board meeting.

MH took note to review the SESTRAN wording on page 5.

PUK Status

The DPA (Development Partnering Agreement, the PUK framework agreement with the Scottish Executive) is under discussion and will be presented to the board on completion of negotiations.

Joint venture with EDI

CEC officials were awaiting authority within CDD to progress the matters required to establish the JV, resulting in over one month's delay in execution. AB offered his support to follow up should there be any more delays.

5. EARL

PP reported that 5 tenders have been received for technical and environmental advice and they intend to appoint a consultant before Christmas. PP requested that Delegated Authority be given to MH/EB up to the £1.5m budget. This was approved by the board.

Action

GB

MH

MH

GB

GB

PP

6. TRAMS

STAG & Economic Appraisal & Parliamentary Bills

AM reported on the programme to meet the milestone of the full council meeting on 11th December 2003 and sign-off for the Parliamentary Bills at the full council approval meeting on 22nd December 2003. Draft documents have been produced for SE and the CEC for their review and all delivery dates are on target. The documents will be available for any board member to view at **tie** offices from 28th December.

EB requested that **tie** conduct a quality check to ensure accuracy and consistency throughout the documents. AM to undertake.

Business Case status

The Business case was now formally to be described as a Preliminary Financial Case in order not to confuse the technical meaning of a Business Case which supports a final application for funding. GB presented a paper outlining a funding analysis on the Tram project. It was agreed that it was essential to have Scottish Executive backing for the proposed wording to address the present funding gap and that EB/MH/GB should arrange an immediate meeting with John Martin.

DPOF

AM presented a paper summarising the evaluation of procurement of bidders for the operating franchise. Interviews with all bidders are being held on 4th & 5th December. The DPOF Group including invited City of Edinburgh Council Client representatives will meet to discuss the evaluation reports on 12th December 2003. It was agreed that the two preferred bidders would make a presentation to the board in February.

7. IT/CC

AM presented a paper providing an update on the procurement strategy for congesting charges since the paper presented to the board on 15th October,

AM referred to the independent procurement strategy review conducted by Deloitte. Recommendations are listed in the report. Steps are underway to attract the required level of resource into **tie** in line with the Deloitte recommendations and outlined in the draft business plan for **tie**.

Action

AM

EB

EB

AM

AM

8. AOB

tie Property/Relocation

In light of the likely staffing requirements presented in the **tie** business plan it is considered that any proposed relocation of **tie** should be put on hold until the resource figures have been approved. Alternative sites are to be considered in the interim.

Future Meetings

A list confirming the 2004 dates for the **tie** board meetings was attached.

9. DATE OF NEXT MEETING

The next **tie** board meeting is scheduled for 15th December 2003.

Action

GB